

ACT 62

S.B. NO. 885

A Bill for an Act Relating to the State Risk Management and Insurance Administration.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 41D-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

- “(a) The comptroller, through the risk manager, shall:
- (1) Have discretion to purchase casualty insurance for the State or state agencies, including those employees of the State who, in the comptroller’s discretion, may be at risk and shall be responsible for the acquisition of all casualty insurance;
 - (2) Have discretion to purchase property insurance for the State or state agencies and shall acquire all property insurance;
 - (3) Direct and manage all risk management and insurance programs of the State, except for employee benefits insurance and workers’ com-

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- pensation insurance programs or as otherwise provided in chapters [87,] 87A, 88, 383 to 386A, 392, and 393;
- (4) Consult with state agencies to determine what property, casualty, and other insurance policies are presently in force or are sought by the state agencies and to make determinations about whether to continue subscribing to insurance policies. In the event that the risk manager's determination is not satisfactory to the state agency, the state agency may have the risk manager's decision reviewed by the comptroller. In this case, the comptroller's decision shall be final;
 - (5) Consolidate and combine state insurance coverages, and purchase excess insurance when, in the comptroller's discretion, it is appropriate to do so;
 - (6) Acquire risk management, investigative, claims adjustment, actuarial, and other services, except attorney's services, as may be required for the sound administration of this chapter; provided that a broker submitting a proposal in response to a fixed fee solicitation by the comptroller pursuant to this subsection and the broker's performance of the activities in accordance with the proposal shall not constitute a violation of sections 431:10-218, 431:13-102, and 431:13-103;
 - (7) Gather from all state agencies and maintain data regarding the State's risks and casualty, property, and fidelity losses;
 - (8) In conjunction with the attorney general and as otherwise provided by this chapter, compromise or settle claims cognizable under chapter 662;
 - (9) Provide technical services in risk management and insurance to state agencies;
 - (10) Be authorized to establish a captive insurance company pursuant to article 19 of chapter 431 to effectuate the purposes of this chapter; and
 - (11) Do all other things appropriate to the development of sound risk management practices and policies for the State."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2017.

(Approved June 23, 2017.)